

FILED

JUL 24 2018

CITY CLERK

**RESOLUTION NO. 12, 2018**

A RESOLUTION TO RESCIND THE TEN (10)-YEAR PERSONAL PROPERTY TAX ABATEMENT FOR LENEX STEEL COMPANY.

WHEREAS, by Resolution No. 22, 2006, the Common Council for the City of Terre Haute, Indiana, confirmed on November 9, 2006, a ten (10) year personal property tax abatement for Lenex Steel Company (hereinafter "Petitioner"). Resolution No. 22, 2006, is attached hereto as Exhibit A; and

WHEREAS, at a special meeting of the Common Council held on June 12, 2018, to review compliance of approved tax abatements, it was determined that Petitioner was not in substantial compliance with the Statement of Benefits for failure to submit to the Common Council a Form CF-1/PP (Compliance with Statement of Benefits – Personal Property); and


WHEREAS, pursuant to I.C. § 6-1.1-12.1-5.9, by written notice dated June 20, 2018, Terre Haute City Clerk notified Petitioner that a determination had been made that Petitioner was not in substantial compliance with the Statement of Benefits. Such notice stated the reason for the determination of non-compliance and the date, time, and place for a hearing. Such notice is attached hereto as Exhibit B; and

WHEREAS, at the public hearing held on July 12, 2018, the Common Council determined that Petitioner had not made a reasonable effort to comply with the Statement of Benefits and therefore such tax deductions should be terminated.

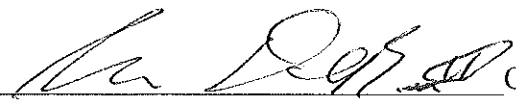
THEREFORE, BE IT RESOLVED by the Common Council for the City of Terre Haute, Indiana, that tax deductions authorized for Petitioner provided in Resolution No. 22, 2006, are hereby terminated.

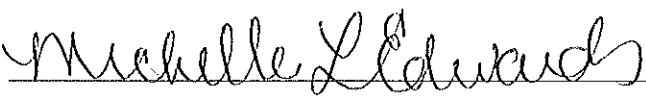
BE IT FURTHER RESOLVED, that the City Clerk is hereby directed to provide a copy of this Resolution No. 12, 2018 to the Petitioner, Vigo County Auditor, and the appropriate township assessor.

BE IT FURTHER RESOLVED, that the Common Council requests that the County Auditor follow the provisions set forth at I.C. §6-1.1-12.1-5.9(d).

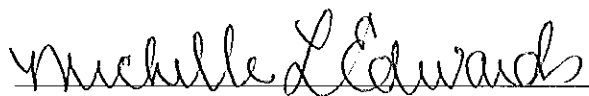
Introduced by:  Karrum Nasser, Councilman

Passed in open Council this 9 day of August, 2018.

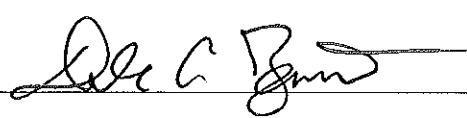
 Curtis DeBaun IV, President

ATTEST:  Michelle L. Edwards, City Clerk

Presented by me to the Mayor this 13 day of August, 2018.

 Michelle L. Edwards, City Clerk

Approved by me, the Mayor, this 13<sup>th</sup> day of August, 2018.

 Duke A. Bennett, Mayor

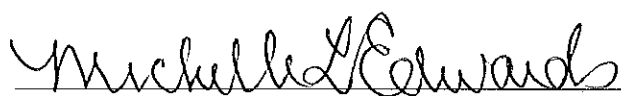
ATTEST:  Michelle L. Edwards, City Clerk

EXHIBIT A

FILED

OCT 04 2006

RESOLUTION NO. 22, 2006

CITY CLERK

A Resolution of the Common Council of the City of  
Terre Haute, Indiana, Designating an Area Within the City  
Commonly Identified as 2325 South Sixth Street, Terre Haute, Indiana,  
as an Economic Revitalization Area  
for the Purpose of Ten Year Personal Property Tax Abatement

WHEREAS, a petition for ten year personal property tax abatement has been filed with the Common Council of the City of Terre Haute requesting that the personal property described therein be designated as Economic Revitalization Area for purposes of personal property tax abatement; and

WHEREAS, Lenex Steel Company, the "petitioner," has submitted a Statement of Benefits and provided all information and documentation necessary for the Common Council to make an informed decision, said information including a description of the real property located at: 2325 South Sixth Street, Terre Haute, Indiana, and more particularly described as follows:

Republic Parcel A

Lot Number One (1) in I W F Subdivision, being a part of Section 33, Township 12 North, Range 9 West, of the 2<sup>nd</sup> P.M., Harrison Township, Vigo County, Indiana  
(Also known as 2325 S. 6<sup>th</sup> Street, Terre Haute, IN).

WHEREAS, petitioner has represented that the project itself will create 60 new permanent full-time jobs with a payroll of \$2,200,000 (approximately) and that the cost of the project will be \$1,650,000 for personal property improvements.

WHEREAS, the Common Council of the City of Terre Haute is authorized under the provisions of I.C. 6-1.1-12.1-1 et. seq. to designate areas of the City as economic revitalization areas for the purpose of tax abatement; and

WHEREAS, the Common Council of the City of Terre Haute has considered the petition and Statement of Benefits and has conducted a complete and proper investigation of the subject property and neighborhood to determine that the area qualifies as an economic revitalization area under Indiana statutes; and

WHEREAS, the Common Council has found the subject property to be in an area where facilities that are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues and has become undesirable for or impossible of normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements, character of occupancy, age, obsolescence, substandard buildings and other factors which prevent normal development or use;

NOW, THEREFORE, IT IS FOUND, DETERMINED AND RESOLVED by the Common Council of the City of Terre Haute that:

1. The petitioner's estimate of the value of the redevelopment and rehabilitation and the project to be constructed on the subject personal property is reasonable for projects of that nature in order to redevelop an existing manufacturing facility.

2. The petitioner's estimate of the number of individuals who will be employed and retained, and the benefit thereby, can reasonably be expected to result from the project and the redevelopment and rehabilitation.

3. The petitioner's estimate of the annual salaries or wages of the individuals who will be employed and retained, and the benefit thereby, can reasonably be expected to result from the project and the redevelopment and rehabilitation.

4. That the other benefits about which information has been requested can be expected to result from the project and the redevelopment and rehabilitation.

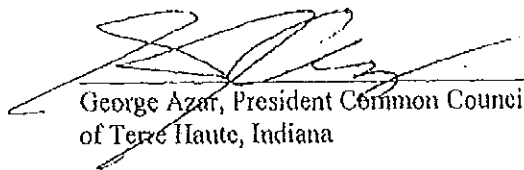
5. The totality of the benefits of the proposed redevelopment and rehabilitation can reasonably be expected to result from the project and are sufficient to justify a ten year personal property tax deduction from assessed valuation under Indiana statutes, and each such deduction should be, and they are hereby, allowed.

6. That the petition for designating the subject property as an economic revitalization area for the purposes of ten year personal property tax abatement and the Statement of Benefits copies of which were submitted with the petitions are hereby approved and the Real Estate described hereinabove is hereby designated as an Economic Revitalization Area pursuant to I.C. 6-1.1-12.1-1 et. seq., and petitioner is entitled to the ten year personal property tax abatement provided therein for the proposed redevelopment and rehabilitation.

7. That notice hereof should be published according to law stating the adoption and substance hereof, that a copy of the description of the affected area is available for inspection in the County Assessor's Office and stating a date on which the Council will hear and receive remonstrances and objections and take final action, all as required by law.

Presented by:  , Todd Nation, Councilman

Passed in open Council this 12<sup>th</sup> day of October, 2006.

  
George Azar, President Common Council  
of Terre Haute, Indiana

ATTEST: Charles P. Hanley  
Charles P. Hanley, City Clerk

Presented by me to the Mayor this 12th day of October, 2006.

Charles P. Hanley  
Charles P. Hanley, City Clerk

Approved by me, the Mayor, this 12th day of October, 2006.

Kevin Burke  
Kevin Burke, Mayor City of  
Terre Haute, Indiana

ATTEST: Charles P. Hanley  
Charles P. Hanley, City Clerk

This instrument prepared by <Jenny Massey> <8888 Keystone Xing, Ste 1450> <Indianapolis,  
IN 46240>

FINAL ACTION BY COMMON COUNCIL OF THE  
CITY OF TERRE HAUTE, INDIANA REGARDING  
RESOLUTION NO. 22, 2006

WHEREAS, the Common Council of the City of Terre Haute, adopted Resolution No. 22, 2006 on the 12<sup>th</sup> day of October, 2006, and pursuant to Indiana Law has published notice of the adoption and substance of said Resolution, including a description of the effected area and notice that a description of the effected area is available for inspection in the office of the County Assessor and further stating a date which the Common Council would receive and hear remonstrances and objections; and

WHEREAS, the Common Council has conducted the hearing as required by law and has received no remonstrances or objections to designation of the effected area as an Economic Revitalization Area or to approval of the Statement of Benefits; and

WHEREAS, said matter is before the Common Council for final action pursuant to Indiana law; and

WHEREAS, the Common Council has received and examined, prior to said hearing, (i) a statement of benefits on the form prescribed by the State Board of Tax Commissioners and proper application for designation; (ii) an Agreement with the Board of Public Works for the City of Terre Haute; and (iii) has heard all appropriate evidence concerning the proposed project and is found and does find:

1. That the area has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property.
2. That the estimate of individuals who will be employed or whose employment will be retained as a result of the proposed renovation can reasonably be expected to continue.
3. That the benefits described can reasonably be expected to continue from the proposed renovation.
4. That the totality of benefits is sufficient to justify the deduction.
5. That the real property is located within an Economic Development Target Area as required by Indiana Code 6-1.1-12.1-3 and 6-1.1-12.1-7 for the type of facility proposed by Petitioner.
6. All qualifications for establishing an Economic Revitalization Area have been met.
7. That the requirements of Special Ordinance 11, 1997, as amended by Special Ordinance 43,

2000 have been met.

NOW, THEREFORE, for final action on Resolution No. 22, 2006, the Common Council of the City of Terre Haute, Indiana, RESOLVES, and FINDS, and DETERMINES:

1. That all the requirements for designation of the personal property described in Resolution No. 22, 2006, as an Economic Revitalization Area have been met, the foregoing findings are true and that all information required to be submitted has been submitted in proper form.

2. That Resolution No. 22, 2006, is in all respects confirmed and approved (as modified to incorporate therein this final action) and the benefits of the proposed redevelopment are sufficient to justify ten year personal property tax abatement under Indiana statutes for the proposed construction and development described in the Statement of Benefits of Lenex Steel and the deduction for the proposed project and the Statement of Benefits submitted by Lenex Steel is approved and that the personal property described in Resolution No. 22, 2006, is declared an Economic Revitalization Area for the purposes of ten year personal property tax abatement, and the said real estate is hereby designated an Economic Revitalization Area pursuant to I.C. 6-1.1-12.1-1 et seq.

3. That said Resolution supplements any other designation of the real estate as an Economic Revitalization Area.

4. That this final action, findings and confirmation of Resolution No. 22, 2006, shall be incorporated in and be a part of Resolution No. 22, 2006.

Presented by: Todd Nation, Todd Nation, Councilman

Passed in open Council this 9th day of November, 2006.

George Azar  
George Azar, President Common Council  
of Terre Haute, Indiana

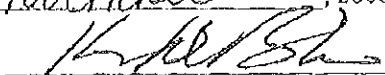
ATTEST:

Charles P. Hanley  
Charles P. Hanley, City Clerk

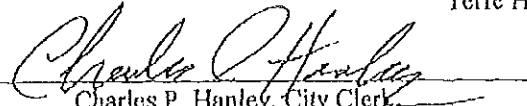
Presented by me to the Mayor this 9th day of November, 2006.

Charles P. Hanley  
Charles P. Hanley, City Clerk

Approved by me, the Mayor, this 9th day of November, 2006.

  
Kevin Burke, Mayor City of  
Terre Haute, Indiana

ATTEST:

  
Charles P. Hanley, City Clerk

This instrument prepared by <Jenny Massey> <8888 Keystone Xing, Ste 1450> <Indianapolis,  
IN 46240>



CITY OF TERRE HAUTE  
PETITION FOR PERSONAL PROPERTY  
TAX ABATEMENT CONSIDERATION

Lenex Steel, an Indiana Corporation, owner of real property located within the City of Terre Haute, hereby petitions the Common Council of the City of Terre Haute for personal property tax abatement consideration pursuant to I.C. 6-1.1-12.1-1, et seq. and in support of this petition states the following:

1. This project, once completed, not counting construction labor, will create 60 new permanent full-time jobs with an annual payroll of \$2,200,000 (approximately) as long as business conditions and sale of products permit.
2. That the estimated dollar value of this project is about \$1,650,000 in personal property improvements.
3. That the personal property for which tax abatement consideration is petitioned is currently owned by Lenex Steel Corporation, 2325 S. 6<sup>th</sup> Street, Terre Haute, Vigo County, Indiana.
4. The commonly known address of the location of the property is 2325 S. 6<sup>th</sup> Street, Terre Haute, Indiana, a legal description of which follows:

Republic Parcel A

Lot Number One (1) in I W F Subdivision, being a part of Section 33, Township 12 North, Range 9 West, of the 2<sup>nd</sup> P.M., Harrison Township, Vigo County, Indiana (Also known as 2325 S. 6<sup>th</sup> Street, Terre Haute, IN).

5. The best estimate of the amount of taxes being and to be abated for the proposed renovation is set forth in the "Lenex Steel Estimated Tax Abatement", which is attached hereto, made a part hereof and marked as Exhibit "A".
6. In view of the foregoing circumstances, Lenex Steel in good faith applies for ten (10) year tax abatement as above set forth.
7. Indiana State Form 51767(5-04), Statement of Benefits, as prescribed by the Indiana State Board of Tax Commissioners, which contains confidential information pursuant to the provisions of I.C. 6-1.1-35-9, will be submitted by Lenex Steel to the members of the Common Council at an appropriate time and manner for consideration to preserve its confidentiality.
8. The current use of the Property is manufacturing and the current zoning is manufacturing.
9. Lenex Steel agrees to enter into an Agreement with the Board of Public Works for the City of Terre Haute, Indiana, in substantially the same form as is attached hereto and made a part hereof as Exhibit "B", and further, Lenex Steel agrees to comply with Special Ordinance 11, 1997, as amended by Special Ordinance 43, 2000.
10. The person to contact as the Petitioner's agent regarding additional information and the public hearing notifications is:

Jenny Massey  
Manager Client Services  
Ginovus  
8888 Keystone Xing, Ste. 1450  
Indianapolis, IN 46240

T: 317.819.0891  
F: 317.819.0888

WHEREFORE, Petitioner, Lenex Steel, requests that the Common Council of the City of Terre Haute, Indiana, adopt a declaratory resolution declaring and designating the area described herein to be an Economic Revitalization Area for purposes of personal property tax abatement consideration, and after publication of notice and public hearing, determine qualifications for an economic revitalization area have been met and confirm such resolution.

PETITIONER:  
Lenex Steel

By:   
\_\_\_\_\_  
<Mike Berghoff> <CEO> etc

This instrument prepared by <Jenny Massey> <8888 Keystone Xing, Ste 1450> <Indianapolis, IN 46240>

# Lenex Steel Personal Property Tax Abatement Exhibit A

Personal Property Tax Estimate  
Includes Estimate of 10 Year Abatement

	Equipment Investment		Township/Town:									
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Hamilton	
Tax Board Rate	40%	56%	42%	32%	30%	30%	30%	30%	30%	30%		
True Tax Value	660,000	924,000	693,000	528,000	495,000	495,000	495,000	495,000	495,000	495,000		
Assessed Value	660,000	924,000	693,000	528,000	495,000	495,000	495,000	495,000	495,000	495,000		
Tax Rate Per \$100 AV	3.7018%	3.7018%	3.7018%	3.7018%	3.7018%	3.7018%	3.7018%	3.7018%	3.7018%	3.7018%		
Replacement Credit	0.182217	0.182217	0.182217	0.182217	0.182217	0.182217	0.182217	0.182217	0.182217	0.182217		
Abatement Percentage	100%	90%	80%	70%	60%	50%	40%	30%	20%	10%		
AV Abated	660,000	594,000	528,000	462,000	396,000	330,000	264,000	198,000	132,000	66,000		
Taxable AV	-	330,000	165,000	66,000	99,000	165,000	231,000	297,000	363,000	429,000		
Estimated Taxes Abated	19,980	17,982	15,984	13,986	11,988	9,990	7,992	5,994	3,996	1,998		
Estimated Taxes Paid	-	9,990	4,995	1,998	2,997	4,995	6,993	8,991	10,989	12,987		
Taxes Payable w/o T.A.	19,980	27,972	20,979	15,984	14,985	14,985	14,985	14,985	14,985	14,985		

## Totals

Estimated Taxes Abated	109,890
Estimated Taxes Paid	64,935
Taxes Payable w/o T.A.	174,825
Percentage Saved	62.55%

Notes: The above calculation assume all equipment is capitalized in Tax Pool #2. Additionally, tax rate and property tax replacement credit have been held constant. This information is an estimate only. It is not an exact calculation of tax liability.

Exhibit "B"

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (the "Agreement") dated as of the 5th day of October, 2006, serves as a confirmation of Lenex Steel Corporation (the "Applicant") commitment, pending an October 12, 2006 public hearing, to comply with the project description, job creation and retention (and associated wage rates and salaries) figures contained in its designation application, Statement of Benefits, the Preliminary Economic Revitalization Area Resolution No. 22, 2006 and attachments adopted by the Common Council by the City of Terre Haute, Indiana (the "Council") on Thursday, November 9, 2006 and this Agreement (the "Commitments").

Subject to the adoption of a Final Economic Revitalization Area Resolution by the Council, the City of Terre Haute, Indiana (the "City") commits to providing a ten (10) year personal property tax abatement for the Applicant's capital expenditure of not less than \$1,650,000 associated with the investment of personal property improvements (the "Project") described and approved as a part of the Commitments. The Project will retain 0 hourly full-time permanent positions (average wage rate of \$0 per hour, excluding benefits & overtime) and will retain 0 salaried full-time employees (average salary of \$0 excluding benefits) and create: (i) 57 new hourly full-time permanent positions (average wage rate of \$15.00 per hour, excluding benefits & overtime); and (ii) 3 new salaried positions (average salary of \$52,000, excluding benefits). The capital expenditure for the Project and the retention and creation of such positions shall occur within two (2) years of the estimated completion date of October, 2011, contained in the approved Statement of Benefits Form SB-1 (the "Commitment Date").

During the term of the abatement and for a period of five years thereafter, the City may annually request information from the Applicant concerning the nature of the Project, the approved capital expenditure for the Project, the number of full-time permanent positions retained and newly created by the Project, and the average wage rates and salaries (excluding benefits & overtime) associated with the position, and the Applicant shall provide the City with adequate written evidence thereof within 15 days of such request (the "Annual Survey"). The City shall utilize this information and the information required to be filed by the Applicant in the CF-1 Compliance with the Statement of Benefits form to verify that the Applicant has complied with the commitments contained in the Commitments at all times after the Commitment Date and during the duration of the abatement. The Applicant further agrees to provide the City with such additional information requested by the City related to the information provided in the Annual Survey and the CF-1 form within a reasonable time following any such additional request.

The City, by and through the Council, reserves the right to terminate the Economic Revitalization Area designation and associated property tax abatement deductions if it determines that the Applicant has not made reasonable efforts to substantially comply with all the Commitments, and the Applicant's failure to substantially comply with the Commitments was not due to factors beyond its control. As used in the Agreement, "substantial compliance" shall mean the Applicant's compliance with the following: Making capital expenditures of not less than \$1,650,000 for the Project; retention of not less than 0 of the permanent full-time retained hourly positions with average hourly wage rates of \$0 (excluding benefits and overtime) (which is greater than \$\_\_\_\_, such amount being the minimum average wage level (excluding benefits and overtime) for retained jobs in Harrison Township, as determined by the Council as of the date of this Agreement) and the retention of 0 of the full-time retained salaried positions with

average annual salaries of not less than \$0 (excluding benefits); and the creation of not less than 60 new permanent full-time positions (57 hourly and 3 salaried) with (i) average hourly wage rates of \$15.00 (excluding benefits and overtime) (which is greater than \$\_\_\_\_\_, such amount being the minimum average wage level (excluding benefits and overtime) for newly created jobs in Harrison Township as determined by the Council as of the date of this Agreement) and (ii) average salaries of \$52,000 excluding benefits).

As used in this Agreement, factors beyond the control of the Applicant shall only include factors not reasonably foreseeable at the time of the designation application and submission of Statement of Benefits which are not caused by any act or omission of the Applicant and which materially and adversely affect the ability of the Applicant to substantially comply with this Agreement.

If the City terminates the Economic Revitalization Area designation and associated tax abatement deductions, it may require the Applicant to repay the City all or a portion of the tax abatement savings received through the date of such termination. The amount of tax abatement required to be repaid for each year of noncompliance shall not exceed an amount equal to the percentage by which the Applicant has failed to attain substantial compliance in any of the aforementioned investment, position retention and/or creation and average hourly wage rate and salary categories multiplied by the dollar amount of taxes actually abated. If the Applicant fails to substantially comply with more than one of the aforementioned categories, repayment shall be based on the highest level of non-compliance.

If at any time during the term of this Agreement, wither before or after the Commitment Date, the Applicant shall: (i) cease operations at the facility for which the tax abatement was granted; or (ii) announce the cessation of operations at such facility, then the City may immediately terminate the Economic Revitalization Area designation and associated tax abatement deductions, and upon such termination, require Applicant to repay all of the tax abatement savings received through the date of such termination.

In the event the City requires repayment of the tax abatement savings as provided hereunder, it will provide Applicant with a written statement calculating the amount due (the "Statement"), and Applicant shall make such repayment to the City within 30 days of the date of the Statement. If the Applicant does not make timely repayment, the City shall be entitled to all reasonable costs and attorneys fees incurred in the enforcement and collection of the tax abatement savings required to be repaid hereunder.

This Agreement and the schedules attached hereto contain the entire understanding between the City and the Applicant with respect to the subject matter hereof, and supersede all prior and contemporaneous agreements and understandings, inducements, and conditions, expressed or implied, oral or written, except as herein contained. This Agreement may not be modified or amended other than by an agreement in writing signed by the City and the Applicant. The Applicant understands that any and all filings required to be made or actions required to be taken to initiate or maintain the abatement are solely the responsibility of the Applicant.

Neither the failure nor any delay on the part of the City to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other

occurrence. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.

This Agreement and all questions relating to its validity, interpretation, performance, and enforcement shall be governed by the laws and decisions of the courts of the State of Indiana.

The Applicant hereby irrevocably consents to the jurisdiction of the Courts of the State of Indiana and of the Vigo County Circuit or Superior Court in connection with any action or proceeding arising out of or relating to this Agreement or any documents or instruments delivered with respect to any of the obligations hereunder, and any action related to this Agreement shall be brought in such County and in such Court.

All notices, requests, demands, and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been received when delivered by hand or by facsimile (with confirmation by registered or certified mail) or on the third business day following the mailing, by registered or certified mail, postage prepaid, return receipt requested, thereof, addressed as set forth below:

If to Applicant:       Mike Berghoff  
                                  2325 South 6th Street  
                                  Terre Haute, IN 47802

If to the City:         Board of Public Works  
                                  Attention: Robin Drummy  
                                  17 Harding Avenue  
                                  Terre Haute, IN 47807

This Agreement shall be binding upon and inure to the benefit of the City and the Applicant and their successors and assigns, except that no party may assign or transfer its rights or obligations under this Agreement without the prior written consent of the other party hereto.

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. By executing this Agreement, each person so executing affirms that he has been duly authorized to execute this Agreement on behalf of such party and that this Agreement constitutes a valid and binding obligation of the party.

The provisions of this Agreement and of each section or other subdivision herein are independent of and separable from each other, and no provision shall be affected or rendered invalid or unenforceable by virtue of the fact that for any reason any other or others of them may be invalid or unenforceable in whole or in part under this Agreement is rendered totally unenforceable thereby.

No official, director, officer, employee or agent of the City shall be charged personally by the Applicant, its employees or agents with any liabilities or expenses of defense or be held personally liable to the Applicant under any term or provision of this Agreement or because of the execution by such party of this Agreement or because of any default by such party hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

"Applicant"

Lenex Steel Corporation

By: Michael R. Berghoff

Printed: Michael R. Berghoff

Title: President

"Board of Public Works"

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Approved as to Legal Adequacy and Form  
this \_\_\_\_\_ day of \_\_\_\_\_, 2006

\_\_\_\_\_



# STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (5-04)

Prescribed by the Department of Local Government Finance

FORM  
SB - 1 / PP

## INSTRUCTIONS:

1. This statement must be submitted to the body designating the economic revitalization area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body BEFORE a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987 and areas designated after July 1, 1987 require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment, BEFORE a deduction may be approved.
3. To obtain a deduction, Form 322 ERA/PPME and/or Form 322 ERA/PP Other, must be filed with the county auditor. Form 322 ERA/PPME and/or Form 322 ERA/PP Other must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment becomes assessable, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991 must submit Form CF-1 annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.0)
5. The schedules established under IC 6-1.1-12.1-4(d) and IC 6-1.1-12.1-4.5(e) effective July 1, 2000 apply to any statement of benefits filed on or after July 1, 2000. The schedules effective prior to July 1, 2000 shall continue to apply to those statement of benefits filed before July 1, 2000.

SECTION 1		TAXPAYER INFORMATION						
Name of taxpayer Lenax Steel Corporation								
Address of taxpayer (street and number, city, state and ZIP code) 2325 South 6th Street, Terre Haute, IN 47802								
Name of contact person Mike Berghoff, President		Telephone number (317) 818-1622						
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT						
Name of designating body City of Terre Haute		Resolution number 22, 2006						
Location of property 2325 South 6th Street, Terre Haute, IN 47802		County Vigo	Taxing district 118					
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment (use additional sheets if necessary)  The company will invest more than \$1.6 million in steel fabrication equipment.		ESTIMATED						
		Start Date      Completion Date						
		Manufacturing Equipment	10/1/2008      12/31/2011					
		R & D Equipment						
		Logist Dist Equipment *						
IT Equipment *								
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT						
Current number 0	Salaries 0.00	Number retained 0	Salaries 0.00					
		Number additional 60	Salaries 2,242,499.77					
SECTION 4		ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT						
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	Manufacturing Equipment		R & D Equipment	Logist Dist Equipment *	IT Equipment *			
	Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value
	Current values		0.00					
	Plus estimated values of proposed project		769,000.00					
	Less values of any property being replaced		0.00					
Net estimated values upon completion of project			769,000.00					
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER						
Estimated solid waste converted (pounds) _____		Estimated hazardous waste converted (pounds) _____						
Other benefits:								
SECTION 6		TAXPAYER CERTIFICATION						
I hereby certify that the representations in this statement are true.								
Signature of authorized representative Michael L. Berghoff		Title President	Date signed (month, day, year) 7/28/08					

\* See IC 6-1.1-12.1-2.3.



**FOR USE OF THE DESIGNATING BODY**

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed 10 calendar years \* (see below). The date this designation expires is \_\_\_\_\_.

B. The type of deduction that is allowed in the designated area is limited to:

- |  |   |
|--|---|
| 1. Installation of new manufacturing equipment;            | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 3. Installation of new logistical distribution equipment;  | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 4. Installation of new information technology equipment;   | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ 1,150,000.00 cost with an assessed value of \$ 759,000.00.

D. The amount of deduction applicable to new research and development equipment is limited to \$ N/A cost with an assessed value of \$ \_\_\_\_\_.

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ N/A cost with an assessed value of \$ \_\_\_\_\_.

F. The amount of deduction applicable to new information technology equipment is limited to \$ N/A cost with an assessed value of \$ \_\_\_\_\_.

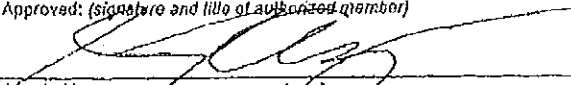
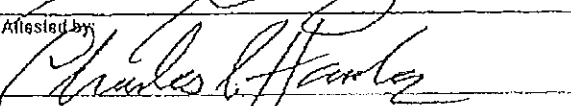
G. Other limitations or conditions (specify) N/A

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction after July 1, 2000 is allowed for:

- |                                     |   |
|-------------------------------------|---|
| <input type="checkbox"/> 1 year     | <input type="checkbox"/> 6 years                |
| <input type="checkbox"/> 2 years    | <input type="checkbox"/> 7 years                |
| <input type="checkbox"/> 3 years    | <input type="checkbox"/> 8 years                |
| <input type="checkbox"/> 4 years    | <input type="checkbox"/> 9 years                |
| <input type="checkbox"/> 5 years ** | <input checked="" type="checkbox"/> 10 years ** |

\*\* For ERA's established prior to July 1, 2000 only a 5 or 10 year schedule may be deducted.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: (signature and title of authorized member)	Telephone number	Date signed (month, day, year)
	812-232-3375	11-9-2004
Attested by	Designated body	
	Terre Haute City Council	

\* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4.5

EXHIBIT B

OFFICE OF THE CLERK  
City Hall, Room 102  
17 Harding Avenue  
Terre Haute, Indiana 47807  
812-244-2103

Michelle L. Edwards, City Clerk

city of terre haute

Michael Berghoff  
Lenex Steel Company  
450 E 96th St, Suite 100  
Indianapolis, IN 46240

June 20, 2018

To Whom It May Concern:

This letter is in reference to the status of your company's tax abatement compliance with the Terre Haute City Common Council for Resolution RS 22, 2006. A special was held by the Common Council on June 14, 2018 to discuss tax abatement compliance matters. During this meeting it was determined your company was Not In Substantial Compliance. This determination is based on Sections 2 and 3 of the Compliance of Benefits Form being incomplete. In addition, the resolution number listed on your form was 21, 2006. Resolution 21, 2006 was rescinded in 2013 by the City Council (Resolution 19, 2013).

A hearing has been scheduled for July 12, 2018 at 5:30pm (EST) in the City Hall Courtroom. The Courtroom is located at 17 Harding Avenue, City Hall, Terre Haute, Indiana 47807. A representative of your company must appear to answer questions concerning the data provided on the CF-1 form.

If a representative fails to attend the hearing scheduled for July 12, 2018, the Council may consider such as the property owner's failure to make reasonable efforts to comply with the statement of benefits and may vote to terminate the abatement thereby eliminating the deduction, pursuant to I.C. 6-1.1-12.1-5.9(c). Please make sure a representative is available for questions at the hearing.

If you have any questions, please feel free to contact me at 812-244-2131 or [Michelle.Edwards@Terrehaute.In.Gov](mailto:Michelle.Edwards@Terrehaute.In.Gov)

Sincerely,



Michelle Edwards  
City Clerk